

**SERVICE QUALITY ASSESSMENT IN ECOTOURISM AREAS: THE CASE OF  
TASIK KENYIR RESORT MANAGEMENT**

**By**

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## **LIST OF ABBREVIATION**

<b>ACSI</b>	American Customer Satisfaction Model
<b>CFA</b>	Confirmatory Factor Analysis
<b>CFI</b>	Comparative Fit Index
<b>CR</b>	Composite Reliability
<b>GDP</b>	Gross Domestic Product
<b>IUCN</b>	International Union For Conservation Of Nature
<b>KETENGAH</b>	Terengganu Tengah Development Authority
<b>NCSB</b>	Norwegian Customer Satisfaction Barometer
<b>RMSEA</b>	Root Mean Square Error of Approximation
<b>SCSB</b>	Swedish Customer Satisfaction Barometer
<b>SERVPERF</b>	Service Performance
<b>SERVQUAL</b>	Service Quality
<b>TIES</b>	The International Ecotourism Society
<b>VE</b>	Variance Extracted
<b>WOM</b>	Word of mouth
<b>WTO</b>	World Tourism Organisation
<b>WWF</b>	Worldwide Fund For Nature

**PENILAIAN KUALITI PERKHIDMATAN DI KAWASAN EKO-  
PELANCONGAN: KES TERHADAP PENGURUSAN RESORT DI TASIK**

**KENYIR**

**ABSTRAK**

Dalam perbahasan untuk memperbaiki pengurusan resort di kawasan eko-pelancongan, kesesuaian kaji selidik berkaitan kepuasan pelanggan dalam usaha untuk meningkatkan kualiti perkhidmatan di resort dan kawasan eko-pelancongan telah menjadi satu isu. Tujuan utama kajian ini adalah untuk mengukur tahap kepuasan pelanggan terhadap produk dan perkhidmatan yang di tawarkan dan untuk mengenalpasti faktor yang mempengaruhi kepuasan pelanggan. Kajian ini dijalankan di Tasik Kenyir, Terengganu. Tasik Kenyir telah dipilih sebagai kawasan kajian kerana kawasan ini memenuhi ciri-ciri kawasan eko-pelancongan. Responden bagi kajian ini adalah pelanggan-pelanggan yang datang ke Tasik Kenyir dan menginap di mana-mana resort sekurang-kurangnya satu malam. Dalam usaha untuk mencapai objektif penyelidikan, SERVQUAL Model telah digunakan dalam kajian ini. Walaubagaimanapun, model ini telah diubah suai untuk disesuaikan dengan kajian ini dengan penambahan tiga dimensi iaitu “Harga”, “Nilai Persepsi” dan “Kelestarian”. Seterusnya, soal selidik telah dibentuk berdasarkan model kajian ini. Soalan kaji selidik telah dibahagikan kepada 3 bahagian; Demografi Pelanggan, Jangkaan Pelanggan dan Pengalaman Pelanggan. Data dianalisis menggunakan Ujian Kepercayaan, Analisis Deskriptif, dan Ujian-*t* Berpasangan. Hasil kajian menunjukkan bahawa, secara umum, pelancong tidak berpuas hati dalam erti kata bahawa nilai jangkaan mereka melebihi nilai pengalaman mereka. Kajian ini juga

menunjukkan bahawa dimensi “Kelestarian” merupakan faktor yang mempengaruhi kepuasan pelanggan. Ini diikuti dengan dimensi “Nyata”, “Responsif”, “Empati”, “Nilai Persepsi” dan dimensi “harga”. Oleh itu, operator resort, pihak berkuasa tempatan dan penyelidik perlu memberi fokus kepada dimensi ini dalam usaha untuk meningkatkan kualiti produk dan perkhidmatan yang ditawarkan dikawasan eko-pelancongan.

# **SERVICE QUALITY ASSESSMENT IN ECOTOURISM AREAS: THE CASE OF TASIK KENYIR RESORT MANAGEMENT**

## **ABSTRACT**

In a recent debate to improve resorts management in ecotourism area, the suitability of customer satisfaction survey in order to improve the quality of service in the resorts and in the ecotourism has become an issue. The main purpose of the study is to measure the level of customer satisfaction with products and services offered and to identify the factors that influence customer satisfaction. This study was conducted in Kenyir Lake Terengganu. Kenyir Lake was chosen as the study area because these areas meet the characteristics of ecotourism area. Respondents for this survey are the customers who come to Kenyir Lake and stay at any resort at least one night. In order to achieve research objectives, SERVQUAL Model was applied in this study. However, this model has been modified in order to suit with this study with additional three-dimension; “Price”, “Perceived Value” and “Sustainability”. Next, questionnaires were formed based on this research model. Survey Questions was divided into 3 parts; Customer Demographics, Customer Expectations and Customer Experiences. The data were analyzed using the Reliability Test, Descriptive Analysis and Paired *t*-test. The results showed that, in general, tourists are dissatisfied, in the sense that their expectations value exceeds their experiences value. This study also shows that sustainability dimension were the dimensions that influence customer satisfaction. This is followed by Tangibility dimension, Responsiveness, Empathy, Perceived Value and Price dimension. Therefore resort operators, local authorities and researchers should focus on these

dimensions in order to improve the quality of products and services offered in the ecotourism area.

# CHAPTER 1

## INTRODUCTION

### 1.1 Research Background

In a recent debate on how to improve resorts management in ecotourism area, the question of the suitability of customer satisfaction survey as a management tool to improve the quality of service in the resorts and in the ecotourism area, has become a major issue. Customer satisfaction is essential to the survival of any businesses. Measuring customer satisfaction is an indication of how successful the organization is, at providing product or services to the market place. Nigel, *et al.* (1999) found that the objectives of customer satisfaction survey are to understand the expectations and requirements of customers, identify priorities for improvement, set goal for service improvement, determine the direction of the company and increase profits.

Moreover, every year the number of tourists come to visit Malaysia is on the increase. Malaysia has become one of the most visited countries in the world. Data from the Immigration Department of Malaysia shows that the number of tourists visiting the country has increased from 5.5 million in 1998 to 22 million in 2008, with the average length of stay being 6.7 nights and total revenue generated at RM 49 billion (Department of Statistics, 2009). Tourist arrivals recorded from January to August 2008 were 14,730,437, representing an increase of nearly 5 percent compared to 14,047,276 for the

same period in 2007. In the year 2009, the lodging and restaurant sector, which is related to the tourism industry, has contributed around 2.6 percent to the Gross Domestic Product (GDP) (an increase of 3.2 percent from the previous year), and is responsible for 52 percent of the total employment of Malaysia. Globally, the service sector itself constitutes almost two-thirds of the GDP, one third of the total employment and nearly 20 percent of trade (Jayawardena, 2003). This trend is only expected to continue; indeed this rapid-growth industry could soon become the top source of earnings for most countries.

In addition, recent years have seen a growth of interest in the tourism of unspoilt nature, popularly known as ecotourism. According to Wright (1996), ecotourism is the fastest growing market segment of the tourism industry. It also contributes to debates surrounding the influence of environmentally friendly products or services on tourists' expectations and experiences. By assessing tourists' perception and identifying factors that influence this perception, it is hoped that these results can help resort operators to develop their own short-term and long-term strategies, to improve service quality and to increase the number of repeat visits to the region. This chapter provides an overview of the research study. Firstly, it introduces the issues that motivate the author to study customer satisfaction in resorts management. Then, the objectives of the study are formulated. This chapter will also identify the scope of the study and lastly, it will look at the organization of the thesis.



## **1.2 Problem Statement**

In recent years, ecotourism has been considered to be the fastest growing market segment of the tourism industry in most countries (Wright, 1996). Ecotourism becomes popular as a result of sustainable awareness created across the globe. Additionally, it is well accepted because of its balanced goal of conserving the environment, benefiting the hosts and at the same time fulfilling the needs of the tourists (Weaver, 2005). Ecotourism not only generates government revenue through business and other general taxes, but also through industry-specific channels, such as payment of occupancy and departure taxes, generates fiscal costs for example funding of infrastructure (Lindberg, 1991), generates much needed foreign currency, both locally, nationally and providing a strong incentive to combine nature's strongholds in a way that would conserve them (Kruger, 2003). The major effect of ecotourism development is that not only existing protected areas are conserved more effectively, but new areas tend to receive protection as well because of the existence of higher incentive to do so (Kruger, 2003).

In addition, several issues have been raised related to the ecotourism area. For example the study conducted by Boyd and Butler (1996) identifies the problem of maintaining the quality of the ecotourism area not only on the quality of the natural environment but also on the levels and nature of the interactions between groups of users. On the other hand, Boyd and Butler (1996) state that other problems in the ecotourism area are the fact that it is difficult to reach to certain areas and the fact that the quality of protected areas such as public parks and private reserves are very low.

Problems as such, will cause tourists to be unsatisfied with the quality of products and services.

On the other hand, very few studies attempt to find the factors which influence tourist satisfaction in ecotourism destinations of developing countries. Most research on ecotourism have primarily focused on the definitions of ecotourism (Sirakaya *et al.*, 1999, Blamey, 1997, & Donohoe and Lu, 2009), its concepts (Wearing, 2001 & Blangy & Eplerwood, 1992), the underlying principles (Sirakaya & McLellan, 1998, The International Ecotourism Society, 1993 & Wright, 1996) and the characteristics of ecotourism resorts (Gunn & Var, 2002) and without much emphasis on the quality of the services provided by the resort operators. Among these limited studies is a study by Bruyere *et al.* (2009) which investigates tourism benefits and management issues in a protected area in Kenya from the perspectives of stakeholders. However, their study concentrates on just two stakeholders; the employees of business and the local people in the area, and excludes the perceptions of the tourists who are directly affected by the product or service delivered to them.

Also, Akama and Keiti (2003) are the two researchers who analyze the quality of the service and product at a wildlife park in Kenya, where they refine the SERVQUAL model initially constructed by Parasuraman *et al.* (1988), and add new items that are related to the park quality attributes to suit the study context. They reveal that the service quality of the park is good and that tourists are satisfied in the sense that their experiences have exceeded their expectations. Khan (2003) on another study investigates the tourists' quality expectations in an ecotourism area. Rather than adding new items to the original SERVQUAL model, he has gone one step further by

introducing a new dimension called *sustainability*. It is found that tourists rank environmentally-friendly services and products as the most important criterion which is pertinent to the quality of the service in question. In addition, most tourist satisfaction models have been developed based on conventional tourist destinations model. The model used is treated to be compatible with the study area.

Next, there is lack of research on the assessment of service quality score in ecotourism areas in the context of developing countries, particularly in the South East Asia region. Since most ecotourism studies are based on developed countries, they provide models that are less applicable to the developing countries' context (Donohoe & Lu, 2009). On the other hand, studies with regards to the service quality of ecotourism area in developing countries tend to concentrate on Africa or Far East regions (see Akama & Keiti (2003) specifically Kenya and Africa, as well as China (Donohoe & Lu (2009) & Wearing ( 2001) in the Far East). With all these research in mind, the present study aims to fill the gap. It is in argument that because of the crucial influence of service quality on tourists' satisfaction and the well being of the ecotourism industry in general, more cautious study is needed in the South East Asia region. In particular, there is a need to authenticate a refined model to evaluate the service quality score that is applicable to the ecotourism area in this part of the world. As such, the present study contributes to the existing knowledge by testing the relevance of sustainable items and other dimensions in the SERVQUAL model introduced by previous researchers in a context not yet investigated; in which case is the ecotourism context in the South East Asia region.

### **1.3 Research Questions**

Based on the problem statement above, two research questions to be answered in this study are declared to be;

1. What is the level of customer satisfaction in the ecotourism area?
2. What are the factors that significantly contribute towards tourists' level of satisfaction?

### **1.4 Research Objectives**

The main purpose of this study is to identify a suitable method to measure customer satisfaction in the ecotourism area in Malaysia. In order to achieve this aim, the research objectives are formulated;

1. To evaluate the service quality score by tourist at Tasik Kenyir.
2. To identify the factors that significantly contributes towards tourist level of satisfaction.

Therefore, this study seeks to identify a suitable model to be used to measure the level of satisfaction in the ecotourism area in Malaysia. The determination of the appropriate model is important in order to answer the research questions and research objectives mentioned previously.

## **1.5 Brief on Research Methodology**

The population and sample determined based on issues contained in the study. The number of population had been collected few days before the survey was conducted. Before the field work was to take place, standardized questionnaires were designed contained 3 parts which are Section A – respondent profile, Section B – respondent's expectation and Section C – respondent's experiences. Next, the questionnaires were distributed to the tourists who stayed for at least one night at the particular resort. Finally, the data will be analyzed using the reliability test, descriptive analysis and paired *t*-test.

## **1.6 Research Scope**

This study focuses on customer satisfaction at Tasik Kenyir. This study was conducted to answer the research questions and research objectives that have been identified. Tasik Kenyir was chosen as the study area because these areas are regarded as meeting the characteristics of an ecotourism area. This study will apply the model identified by Parasuraman *et al.* (1988); the SERVQUAL Model and will be modified according to a study conducted by Akama and Keiti (2003), Khan (2003) and He *et al.* (2008). Results of this study will serve as a guideline to improve and enhance the quality of products and services offered in this ecotourism location.

## **1.7 Organization of the Thesis**

The subsequent chapters are arranged as follow: Firstly, Chapter 2 describes about ecotourism and customer satisfaction. Some integral aspects like the definition, principles, benefits and characteristics of ecotourism shall be discussed here. This chapter follows by the details about customer satisfaction and their methods of evaluation. Secondly, Chapter 3 discusses in detail the research methodology used in this study. This chapter covers the research methodology used, the sampling and data collection method, questionnaire design and data analysis methods. Next, Chapter 4 presents the findings of the research. This section covers the reliability test, descriptive analysis, paired t-test and discussion of the results. Finally, Chapter 5 elaborates on the conclusion for the whole study including the contribution of the study, limitation of the study and recommendation for further studies.

## **CHAPTER 2**

### **LITERATURE REVIEW**

#### **2.1 Introduction**

This chapter provides an insight into the understanding of some basic concepts of ecotourism and customer satisfaction. This chapter begins with the concepts of ecotourism which cover the definition, principles, benefits and characteristics. Next, it details customer satisfaction and the method to evaluate customer satisfaction on an ecotourism area. The end of this chapter will dwell into the dimensions that will be used in this study.

#### **2.2 Ecotourism**

Ecotourism play an important role in today`s environmental management. Ecotourism developed within the womb of the environmental movement in the 1970s and 1980s (Honey, 1999). Ecotourism is identified as the new tourism product in Malaysia by the National Tourism Policy.

### **2.2.1 Ecotourism Industry in Malaysia**

In Malaysia, ecotourism is beginning to be noticed, owing largely due to the growing global awareness of sustainability and environmentalism. Recognizing the significance of the tourism industry for its nation's prospects, the government has focused on promoting specific tourism products and destinations, with special promotions undertaken to market niche tourism products such as ecotourism (Department of Statistics, 2009). As a country rich with beaches, rainforests, caves and rivers, Malaysia can easily become an ecotourism spot in the world. In Malaysia, ecotourism is beginning to be noticed, which is largely due to the growing global awareness of sustainability and environmentalism. Recognizing the significance of the tourism industry for its nation's prospects, the government has focused on promoting specific tourism products and destinations, with special strategies undertaken to market niche tourism products such as ecotourism (Department of Statistics, 2009). In Malaysia, there is a wide range of natural assets including lakes, mangroves, limestone caves, mountains, waterfalls, islands, wildlife and many others (Kaur, 2007). There are at least five lake-based ecotourism destinations which grace some states in Peninsular Malaysia: the natural lakes of Lake Bera and Lake Chini in Pahang, and the three man-made lakes of Lake Kenyir in Terengganu, Lake Banding in Perak and Lake Pedu in Kedah. Despite the growing number of tourists in this country, these destinations, for some reasons, still struggle to attract visitors. For instance, the two resorts in Lake Pedu, in operation since 1995, have ceased their operations after several years of scant numbers of tourists and huge annual losses (Kedah Government, 2007).



### 2.2.2 Definition of Ecotourism

The definition of ecotourism can be divided into two words, eco and tourism. The term eco originates from the word ecology. According to Collins English Dictionary, ‘ecology’ refers to the study of relationships between organisms and environment. According to Mill (1990), tourism is the term given to the activity that occurs when tourists travel. An understanding of the concept of ecotourism is essential to ensure that the tourism development does not ignore environmental aspects, in addition to teaching visitors about importance of preserving and conserving the natural environment. It is important to make sure that natural resources are there at the moment to be enjoyed for next generations.

Historically, the term ecotourism was adopted in order to describe the nature-tourism phenomenon (Wallace & Pierce, 1996). Ceballos-Lascuráin (1991) is credited as the first researcher to have used the term ‘ecotourism’. He defines ecotourism as

*“Tourism that involves traveling to relatively undisturbed or uncontaminated areas with the specific objective of studying, admiring, and enjoying the scenery and its wild plants and animals, as well as any existing cultural manifestations (both past and present) found in the areas”* (Ceballos-Lascurain, 1991).

Fennell’s (2003) analysis of 15 definitions of ecotourism, has emphasized on different aspects of nature, relationships with local people, conservation and

preservation. For example, the Australian Ecotourism Strategy defines ecotourism as nature-based tourism that involves the education and interpretation of the natural environment and is managed to be ecologically sustainable. This definition recognizes that the natural environment includes cultural components and that ecological sustainability involves an appropriate return to the local community and long-term conservation of the resources.

Next, Honey (1999) makes a narrower interpretation of ecotourism, as travel to fragile, pristine, and usually protected areas that strives to be low impact and (usually) small scale. The corresponding aims include helping to educate the traveler; providing funds for conservation; directly benefiting the economic development and political empowerment of local communities; and fostering respect for different cultures and for human rights. Honey (1999) believes that ecotourism may contain elements of nature tourism, wildlife tourism, and adventure tourism, but that they are not all necessarily identical types of tourism.

Malaysia on the other hand, adopts the definition outlined by The International Ecotourism Society (TIES) which defines ecotourism as “responsible travel to natural areas that conserves the environment and sustains the well-being of local people”. Hence, The International Union for Conservation of Nature (IUCN) define ecotourism as environmentally responsible travel to relatively undisturbed natural areas in order to enjoy and appreciate nature (and any other accompanying cultural features). In short, it is seen that most ecotourism definitions share at least 3 integral elements; travelling to undisturbed natural area, enjoying the nature and appreciating it.

### 2.2.3 Principles of Ecotourism

An analysis of definitions has looked at three dimensions which well represent the main essence of the concept. According to the interpretation, Blamey et al. (2001) identify three dimensions of ecotourism which are nature-based, environmentally educative and sustainably managed. Beaumont (1998) remarks that ecotourism is a subset of nature tourism which in turn, is a subset of tourism. The figure below shows an inclusive approach to defining ecotourism using three key principles.

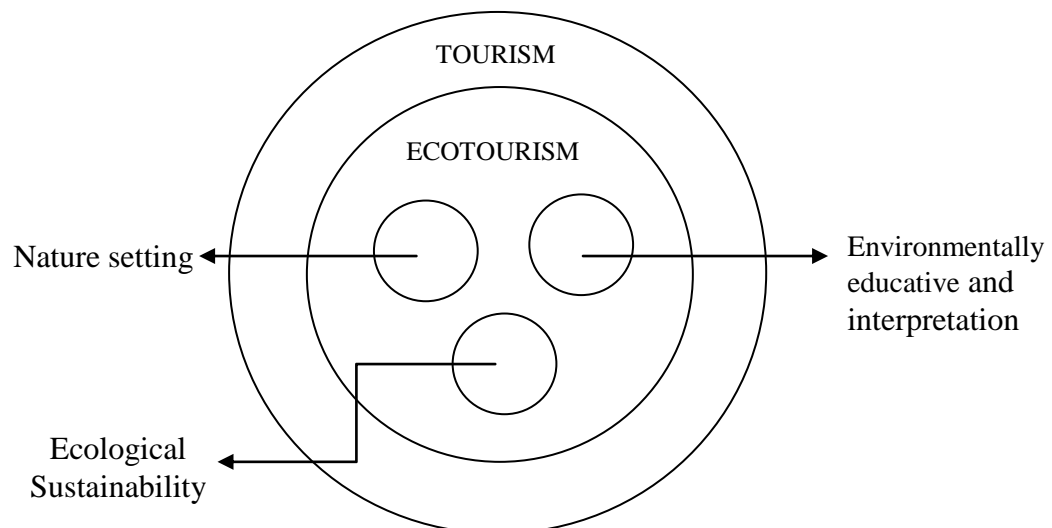


Figure 2.1: An inclusive approach to defining ecotourism using three key principles  
Source: Beaumont (1998), Australian Tourism and Hospitality Research Conference.

The most obvious characteristic of ecotourism lies in the fact that it is nature-based. Valentine (1992) defines nature-based as ‘primarily concerned with the direct enjoyment of some relatively undisturbed phenomenon of nature’. A variety of motivations for nature-based activities identified by Whelan (1991) include the desire to escape the pressures of everyday life, seeing wildlife at the brink of

extinction, and embarking on specific interests and activities such as trekking, bird-watching, canyoning and white-water rafting and kayaking (Whelan, 1991).

Valentine (1992) has identified three main dimensions of nature-based endeavours pertaining to the experience, style and location. In terms of the type of experience involved, different nature-based experiences vary in nature dependency, intensity of interaction, social context and duration. Different styles are associated with different levels of infrastructure support, group size and type, cultural interaction factor, willingness to pay and length of visit. Locations vary in terms of accessibilities (remoteness), development contribution and fragility (Valentine, 1992). Fennell (1999) further suggests that important variables in establishing the nature of ecotourism include environmental awareness, employment skills or actions in the pursuit of the primary activity; the degree to which one subscribes to the conservation ethic and finally the degree of impact caused by the type of tourism.

On the other hand, environmental education and interpretation are important tools in creating an enjoyable and meaningful ecotourism experience (Stephen & Dowling, 2002). Interpretation is the art of helping people to learn and it is a central tenet of ecotourism (Weiler & Davis, 1993). Ecotourism education can influence tourist, community and industry behavior and assist in the longer-term sustainability of tourist activity in natural areas and also functional as a management tool for natural areas (Stephen & Dowling, 2002). The quality of the environment and the visibility of its flora and fauna are essential features of their experience (Stephen & Dowling, 2002). Weiler and Davis (1993) emphasize that intellectual, emotional and even spiritual connections between people and places are important ingredients of

ecotourism experiences, and that interpretation is the key to establishing links between people and places.

The third dimension of ecotourism is sustainably managed. Blamey (2001) mentions two sustainability principles that are commonly highlighted in the ecotourism context- the support of the local economies and the support of conservation. The Australian National Ecotourism Strategy recognizes that natural environment includes cultural components and that being ecologically sustainable involves an appropriate return to the local community and long term conservation of the sources (Allcock *et al.*, 1994). Bramwell and Lane (1993) outline four basic principles of sustainable development and sustainable tourism development: holistic planning and strategy-making; preservation of essential ecological processes; protection of both human heritage and biodiversity; and development to ensure that productivity can be sustained over the long term for future generations.

Tourism Concern (1991) develops principles and guidelines in association with the Worldwide Fund for Nature (WWF). Each of the ten sustainability principles listed below is accompanied by a list of recommendations.

i. Using resources sustainably

The conservation and sustainable use of resources (natural, social and cultural) is crucial and makes long-term business sense.

ii. Reducing over-consumption and waste

Reduction of over-consumption and waste avoids the costs of restoring long-term environmental damage and contributes to the quality of tourism.

iii. Maintaining biodiversity

Maintaining and promoting natural, social and cultural diversity is essential for long-term sustainable tourism, and creates a resilient base for the industry

iv. Integration tourism into planning

Tourism development integrated into a national and local strategies planning framework and which undertakes environmental impact assessments (for the purpose of increasing the long-term viability of tourism).

v. Supporting local economies

Tourism that supports a wide range of local economic activities and which takes environmental costs and values into account, to protect these economies and avoid environmental damage.

vi. Involving local communities

The full involvement of local communities in the tourism sector not only benefits them and the environment in general, but also improves the quality of the tourism experience.

vii. Consulting stakeholders and the public

Consultation between the tourism industry and local communities, organizations and the institutions is essential if they are to work alongside each other and resolve potential conflicts of interest.

viii. Training staff

Staff training which integrates sustainable tourism into work practices, recruits personnel at all levels and improves the quality of the tourism product.

ix. Marketing tourism responsibly

Marketing that provides tourist with full and responsible information increases respect for the natural, social and cultural environments of destination areas and enhances customer satisfaction.

x. Undertaking research

Ongoing research and monitoring by the industry using effective data collection and analysis are essential to help solve problems and to bring benefits to destinations, the industry and consumers.

According to Goodwin (1996), ecotourism should contribute significantly in the preservation of species and habitats, either directly through conservation efforts or indirectly, by providing revenue to the local community sufficient for them to protect the wildlife heritage area as a source of income. Laarman and Durst (2003) assert that the visit should combine both, recreation and education. Wallace and Pierce (1996) emphasize that true ecotourism addresses six principles.

- i. It contributes to the conservation and management of legally protected and other natural areas.
- ii. It should generate economy and other benefits
- iii. It should minimize negative impacts to the environment and to local people.
- iiii. It should increase the awareness and understanding of an area's natural and cultural systems and the subsequent involvement of visitors in issues affecting those systems
- ivi. It should increase the participation of local people in the decision-making process that determines the kind and amount of tourism that should occur.

The International Ecotourism Society (2006) has stated that ecotourism is about *uniting conservation, communities, and sustainable travel*. This means that ecotourism activities should follow the following ecotourism principles:

- i. Minimize impact.
- ii. Build environmental and cultural awareness and respect.
- iii. Provide positive experiences for both visitors and hosts.
- iv. Provide direct financial benefits for conservation.
- v. Provide financial benefits and empowerment for local people.
- vi. Raise sensitivity to host countries' political, environmental, and social climates.

Therefore, it is known that the principle of ecotourism includes three important aspects which are nature-based, environmentally educative and sustainably managed. In planning the development of eco-tourism, there is a need to apply the elements found in the principles of ecotourism.

#### **2.2.4 Characteristics of Ecotourism**

According to Chesworth and Nancy (1995), there are six characteristics of ecotourism. These are, travel to relatively undisturbed natural areas and/or archeological sites, tourism which focuses on learning and the quality of experience, which economically benefits the local communities, eco-tourists seeking to view rare



species, spectacular landscapes and/or the unusual and exotic, eco-tourists not depleting resources but even sustaining the environment or help undoing the damage to the environment and eco-tourists appreciating and respecting the local culture, traditions, etc.

Honey (1999) suggests that ecotourism contains seven characteristics. He emphasizes that ecotourism involves travel to natural destinations, it minimizes impact, builds environment awareness, provides direct financial benefits for conservation, provides financial benefits and empowerment for local people, respect local culture, and support human rights and democratic movements. On the Other hand, Fennell (1999) proposes that important variables in establishing the nature of ecotourism include environmental awareness, employment skills or actions in the pursuit of the primary activity; the degree to which one subscribes to the conservation ethic and finally the degree of impact caused by the type of tourism.

As the result, Stephen and Dowling (2002) identifies five core characteristics that are fundamental to ecotourism. They involve the fact that ecotourism is nature-based, ecologically sustainable, environmentally educative, locally beneficial and that it generates tourist satisfaction. The first three characteristics are considered to be essential for a product to be considered ecotourism while the last two are viewed as being desirable for all forms of tourism (Dowling, 1996). Valentine (1992) defines nature-based as tourism which primarily concerns with the direct enjoyment of some relatively undisturbed phenomena of nature. At this juncture, it should be provided here that ecotourism is different from the conventional tourism. Below, a comparison between conventional tourism characteristics and ecotourism characteristics identified by the Ecotourism Society is shown.

Table 2.1: Comparison between conventional tourism and ecotourism characteristics

<b>Ecotourism Characteristics</b>	<b>Conventional Tourism Characteristics</b>
Comfortable basic needs	Luxury
Unique character style	Generic style
Focus on activities/education	Focus on relaxation
Activities are nature-based (hiking, diving, bird watching, caving)	Activities are facilities-based (golf, horse riding, jet skiing)
Development integrated with local environment	Development not integrated with local environment
Individual/small company ownership is common	Group/consortium ownership is common
Operation by government concession is common	Operation by government concession is rare
Profit maximization based on product fulfilling eco-tourist expectations, through strategic design, location, and quality of natural surroundings	Profit maximizing based on high tourist capacity and high prices
Moderate/ low investment	High investment
Marketing and promotions typically independent	Marketing and promotion often within business chain
Key attraction is the environment	Key attraction are the facilities
Construction materials mainly wood and palm based	Construction materials mainly concrete, metal and plastic
Site plan designed for minimal change to existing landform and vegetation	Site plan based on clearing
Contractor focuses on the maintenance of all aspects of site quality	Contractor focuses on the quality of building
Temperature regulation based on overall design features and on fans	Temperature regulation based on air conditioning
The 5 Rs are emphasized (reduce, re-use, recycle, repair, rethink)	Conventional resource use and waste disposal methods
Hearty meals using ingredients sourced locally, often a cultural influence	Gourmet meals, service and presentation
Guide and interpreters focus on operations	Guide and nature interpreters non-existent or a minor feature of operations

From the table above, it is known that ecotourism and conventional tourism have different characteristics from one another. The characteristics of ecotourism area concerned with environmental sustainability in terms of the use of natural resources, development and environmental aspects. Compared to the conventional tourism, it is more concerned with the physical development to attract tourists to come, without taking into account environmental concerns.

### **2.2.5 Benefits of Ecotourism**

Ecotourism not only generates government revenue through business and other general taxes, but also through industry-specific channels, such as the payment of occupancy and departure taxes and generates fiscal costs for example funding of infrastructure (Lindberg, 2001) and at the same time generates the much-needed foreign currency, both locally, nationally and providing a strong incentive to combine nature`s strongholds in a way that would conserve them (Kruger, 2003). The major effect is that through ecotourism, new areas would either receive protection or existing protected areas are conserved more effectively because there tends to be higher incentive to do so (Kruger, 2003).

According to Goodwin (1996) ecotourism can benefit protected areas in three ways, that is through generating money to manage and protect natural habitats and species, enabling local people to gain economically from the protected areas, therefore encouraging their support of protecting the protected area, and offering a means by which people`s awareness of the importance of conservation can be raised.

Monteros (2002) also emphasizes that ecotourism could provide the momentum and economic investments for improved conservation of species and habitats.

On the other hand, ecotourism supports nature conservation by providing an economic demand for natural ecosystems (Hearne & Santos, 2005). Entrance fees and tourist expenditure provide financial incentives to national parks and communities so they can maintain secure, accessible, and pure visitation opportunities (Hearne & Santos, 2005). Another important effect of ecotourism is seen in an increase in revenue creation for local communities, which subsequently leads to changes in land-use pattern, from consumptive use to non-consumptive use and ecotourism also influences change in the attitude of local communities towards the protected area, manifested in the reduced poaching, timber felling and other consumptive land uses (Kruger, 2003).

#### **2.2.6 Characteristics of Eco-tourist**

Kusler (1991) identifies three main groups of eco-tourists. The largest is the ‘do-it-yourself’ ones who have a high degree of flexibility, stay in a variety of accommodations and have the mobility to visit any number of settings. The second group is ‘eco-tourists on tours’ who travel to exotic destinations and expect a high degree of safety, comfort and organizations on their tour. The third category comprises ‘scientific groups’. With some particular purposes, this group focuses around environmental education or scientific research and they stay in the same region for long period of time. On the other hand Lindberg (1991) come up with four

types of eco-tourists, existed based on the motivation and/or interest level of the participants. Below shows the classification of eco-tourist:

- i. Hard core - scientific researchers or members of educational or conservation tours;
- ii. Dedicated - people who visit protected areas to learn about local natural history;
- iii. Mainstream – people who visit unique natural area destinations just to take an unusual trip
- iv. Casual – people who partake of nature incidentally as part of a broader trip.

Laarman and Durst (1987) have identified the difference between the ‘hard’ and ‘soft’ dimensions of ecotourism. ‘Hard-core’ eco-tourists have a deep level of interest and, often, expertise in the subject matter (Mat Som, 2005). Mat Som (2005) also emphasizes that a ‘hard’ eco-tourist is prepared and may even desire to live basically, with few comforts, and to live in difficult circumstances for long periods within a wilderness context, in order to truly ‘experience’ nature. On the other hand, the ‘soft’ eco-tourist has casual interest in the natural attraction but wishes to experience that attraction on a more superficial and highly mediated level (Mat Som, 2005). Normally, ‘hard’ eco-tourists are engaged in a specialized ecotourism area, while ‘soft’ eco-tourists engage in ecotourism as one, usually short duration, element of a multi-purpose and multi-dimensional travel experience (Orams, 2001).

Mowforth (1993) identifies the classification of ecotourists as useful in that it incorporates the different motivations of eco-tourists, in relation to the pursuits they engage in, as well as the organization and cost of the experience. The differences

between traveler and packaged form of tourism, ranging from the individualized through to tour-operated form of ecotourism experience, are also implicit in Mowforth's (1993) classification together with the age profile of eco-tourists. Even though this classification may illustrate the scope of the criteria and characteristics of eco-tourists, it also important to recognize that ecotourism is also an attitude of mind – an experience and a perceived element, which cannot be readily classified (Mat Som, 2005). 2.2 below shows a three-fold classification of eco-tourists:

Table 2.2: A three-fold classification of eco-tourists:-

<b>Feature</b>	<b>The rough eco-tourist</b>	<b>The smooth eco-tourist</b>	<b>The specialist eco-tourist</b>
Age	Young-middle-aged	Middle-aged-old	Young-old
Travelling	Individually or in small groups	In groups	Individually
Organization	Independent	Tour-operated	Independent + specialist tours
Budget	Low: cheap hotel/B&B; local/fast food; uses buses	High: 3 star/5 star hotels; luxury cafes; uses taxis	Mid-high; cheap-3 star hotels; mid-luxury cafes; as necessary
Type of tourism	Sport and adventure	Nature and safari	Scientific investigation/hobby pursuit

Source: Mowforth (1993)

Therefore, eco-tourists can be classified into several groups. Understanding the characteristics of an eco-tourist will help to know the needs of the tourist. Thus, the development of ecotourism area should take into account all aspects including the development of the eco-tourists themselves. The differences between eco-tourist groups show the different products and services that should be provided.

## **2.3 Customer Satisfaction**

### **2.3.1 Customer**

According to Duane (2003), customer is a word which was created 100 years ago and may take many forms; customer is defined as a consumer, which is someone who buys or uses products or services at a retail level and who serves as a distributor in a business to business organization. There are two kinds of customers; external and internal ones. According to Ingrid (2004), external customers are the customers in the marketplace, whereas internal customers are the employees of the corporation. External customers have a choice, and if they do not like products or services offered by the organizations, they can take their business elsewhere, but internal customers are normally left with no choice (Earl, 2008). The external customers are regarded as more important as opposed to the internal customers because the turnover capital totally depends on the former. The money gained is rotated to pay for employees' salary, electricity, maintenance services and so on. Besides, internal customers have a certain role to make sure all services provided achieve customer needs.

In short, customers can be presumed as people who get or use the products and services. Understanding the aspects related to external customers would help resort operators and local authorities in the process of improvement and policy formulation, in order to improve the quality of products and services offered, which in turn would ensure that the ecotourism area becomes a world-class tourism destination.